

What does CSEA do for me?



# CSEA Protecting The Future

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No matter where you turn these days, there seems to be another news story concerning the mismanagement of a major corporation, accompanied by loss of retirement benefits for the corporation's workers. The stock market is in turbulent times, and everyone is wondering about the impact these troubled times will have on their retirement plans.

Classified school employees enrolled in PERS have little to worry about. PERS is in a very strong position, and will continue to be so. For example: PERS owns 23 million shares of WorldCom stock. The loss attributed to WorldCom stock is estimated to be \$235 million. Further, PERS is estimating an additional loss of \$345 million in WorldCom bonds. However, the total loss equals four-tenths of one percent of PERS' \$150 billion investment portfolio.

PERS is also estimating a loss of \$105.2 million (1/10 of 1% of the PERS investment portfolio) in the Enron debacle. Yet, during the months of October and November 2001, when the value of Enron stock plummeted, the other PERS investments more than offset the Enron losses. In fact, during the same months, PERS' overall investment portfolio grew by more than \$5.2 billion.

*"What does CSEA do for me?"* Working together, the leadership and membership of CSEA were successful in electing two representatives to the PERS Board. More than any other union in the PERS system, CSEA has a direct impact on the administration of PERS. Additionally, because of CSEA's political clout, SB 400, the law that dramatically increased PERS payments, is a reality that CSEA classified employees can count on to help provide for their future security.

SB 400 increased the retirement formula PERS uses from 2% at age 60, to 2% at age 55. The maximum was also increased from 2.418% at age 63, to 2.5% at age 63. Final compensation calculations are now based on the highest 12 months of salary, rather than the highest 36 months. The bottom line, more money in the pockets of retired classified employees, where it belongs.

CSEA is extremely hard at work protecting the PERS retirement of classified employees, and, in fact, increasing PERS payments for classified employees about to retire. At a time when many people are worried about their retirement future, isn't it good to know CSEA is on the job protecting classified school employees?



## CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION

CSEA Rancho Cucamonga Field Office  
10211 Trademark Street, Unit A ♦ Rancho Cucamonga, CA 91730  
Phone: (909) 466-1006 / (800) 526-9297 ♦ Fax: (909) 466-1105

Visit CSEA on the web at: [www.csea.com](http://www.csea.com)